UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress ¹

[Date approved: October 26, 2006]²

Bill No. and sponsor: S. 3213 (Mr. Frank R. Lautenberg of New Jersey).

Proponent name, location: Honeywell International, Inc., Morristown, NJ.

Other bills on product (109th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2009.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Morpholine,

4-[4,5-dihydro-4-[3-[5-hydroxy-1-methyl-3-(4-morpholinylcarbonyl)-1H-pyrazol-4-yl]-2-propenylidene]-1-methyl-5-oxo-1H-pyrazol-3-yl]carbonyl]-, potassium salt (CAS No. 183196–57–8) (provided for in subheading 2934.99.90); 1,4-benzenedisulfonic acid,

2-[4-[5-[1-(2,5-disulfophenyl)-1,5-dihydro-3-[(methylamino)carbonyl]-5-oxo-4H-pyrazol-4-ylidene]-3-(2-oxo-1-pyrrolidinyl)-1,3-pentadienyl]-5-ydroxy-3-[(methylamino)carbonyl]-1H-pyrazol-1-yl]-, pentapotassium salt (CAS No. 202482–44–8) (provided for in subheading 2933.79.08).

Check one: Same as that in bill as introduced.

X Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

The products covered in this bill are synthetic organic chemicals that are used as light-absorbing photo dyes. They are added to photosensitive emulsions for photographic films. Honeywell imports the subject products from Germany.

Estimated effect on customs revenue:

Total Estimated Revenue loss for this Bill							
\searrow	2006	2007	2008	2009	2010		
Customs revenue loss	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000		

Industry analyst preparing report: Philip Stone (202-205-3424); Tariff Affairs contact: David Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

HTS subheading: <u>2934.99.90</u>								
\searrow	2006	2007	2008	2009	2010			
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%			
Estimated value <i>dutiable</i> imports	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000			
Customs revenue loss	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000			

HTS subheading: <u>2933.79.08</u>							
\searrow	2006	2007	2008	2009	2010		
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%		
Estimated value <i>dutiable</i> imports	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000		
Customs revenue loss	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000		

Source of estimated dutiable import data: Industry estimates.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?	
		(Yes/No)			
Honeywell International, Inc. (Proponent) Art Simonette, Fax: 202-662-2675	07/24/2006	No	No	No	
BASF, Functional Polymers Business Group Cenan Ozmeral, Fax: 704-587-7903	08/03/2006	No	No	No	
Bayer Corporation Karen Niedermeyer, Fax: 412-777-4740	08/03/2006	No	No	No	
Ciba Specialty Chemicals John Demming, Fax: 302-479-5152	08/03/2006	No	No	No	
ColorChem Steve Printz, Fax: 770-993-4780	08/03/2006	No	No	No	
Color Resources International Inc. Wayne Jones, Fax: 864-862-6824	08/03/2006	No	No	No	
CPMA Larry Robinson, Fax: 703-684-1795	08/03/2006	No	No	No	
Day-Glo Richard Thornton, Fax: 216-391-1408	08/03/2006	No	No	No	

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
DyStar L.P. Van Hawkins, Fax: 704-561-3005	08/03/2006	No	No	No
ETAD Tucker Helms, Fax: 202-296-8120	08/03/2006	No	No	No
Everlight USA, Inc. Scott Chen, Fax: 704-588-0051	08/03/2006	No	No	No
Fanwood Chemical Jim DeLisi, Fax: 908-322-8494	08/03/2006	No	No	No
Fuji Imaging Colorants, Inc. Mike Gill, Fax: 202-628-5116 Pat McGlinchey, Fax: 302-477-8103	08/03/2006	No	No	No
LANXESS Corp. Jamie Schaeffer, Fax: 412-809-3614 Seth Tomei, Fax: 412-809-3614	08/03/2006	No	No	No
Milliken Ray Sanders, Fax: 864-503-1618	08/03/2006	No	No	No
NFC John Dickson, Fax: 803-548-2683	08/03/2006	No	No	No
Passaic Color John Wojciechowski, Fax: 973-279-3175	08/03/2006	No	No	No
Rohm & Haas Steven Volger, Fax: 215-592-2550	08/03/2006	No	No	No
United Color Tom Nowakowski, Fax: 215-860-8560	08/03/2006	No	No	No

Technical comments:³

The Commission suggests the article description on page 1 of this report be used in the proposed new heading to provide the proper chemical name and HTS subheading reference.

The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

S. 3213

To suspend temporarily the duty on certain light-absorbing photo dyes.

IN THE SENATE OF THE UNITED STATES

May 25, 2006

Mr. Lautenberg introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on certain light-absorbing photo dyes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. CERTAIN LIGHT-ABSORBING PHOTO DYES.
- 4 (a) In General.—Subchapter II of chapter 99 of
- 5 the Harmonized Tariff Schedule of the United States is
- 6 amended by inserting in numerical sequence the following
- 7 new heading:

"	9902.29.45	Morpholine, 4-[4,5-dihydro-4-[3-[5-hy-					
		droxy-1-methyl-3-(4-					
		morpholinylearbonyl)-1H-pyrazol-4-yl]-2-					
		propenylidenel-1-methyl-5-oxo-1H-					
		pyrazol-3-yl]carbonyl]-, potassium salt					
		(CAS No. 183196–57–8) (provided for in					
		subheading 2934.99.90): 1.4-					
		Benzenedisulfonic acid,2-[4-[5-[1-(2,5-					
		disulfophenvl)-1,5-dihvdro-3-					
		1 2 7 7 2					
		[(methylamino)carbonyl]-5-oxo-4H-					
		pyrazol-4-ylidene]-3-(2-oxo-1-					
		pyrrolidinyl)-1,3-pentadienyl]-5-ydroxy-3-					
		[(methylamino)carbonyl]-1H-pyrazol-1-					
		yl]-, pentapotassium salt (CAS No.					
		202482-44-8) (provided for in sub-					
		heading 2942.00.00)	Free	No change	No change	On or before	
		,				12/31/2009	,,

1 (b) Effective Date.—The amendment made by

- 2 subsection (a) shall apply with respect to goods entered,
- 3 or withdrawn from warehouse for consumption, on or after
- 4 the date that is 15 days after the date of enactment of
- 5 this Act.

 \bigcirc